GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4346
ANSWERED ON:19.04.2002
CARRYING COST OF FOODGRAINS
GOWDAR MALLIKARJUNAPPA

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the proposal to reduce the carrying cost to buffer stocks of foodgrains is still under consideration of the Government;

(b) if so, the details thereof;

(c) the main reasons for delay; and

(d) the time by which it is likely to be accepted?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN)

(a)&(b): For reducing the carrying cost of foodgrains by liquidating the excess stocks the Government has recently taken the following decisions:-

(i) To reduce the APL CIPs by Rs.100 per quintal in respect of rice and wheat for a period of three months.

(ii) To fix the scale of issue for APL, BPL and Antyodaya households @ 35 kg per householdper month and increase allocations to States/UTs accordingly.

(iii) To fix the scale of issue for all welfare institutions and hostels uniformly @ 15 kg per head per month and make an additional allocation equal to 5% of the BPL allocation of States/UTs at BPL CIPs on this account.

(iv) To make open market sales of 50 lakh MTs of wheat and 10 lakh MTs of rice at prices to be determined by the existing High Level Committee of the FCI.FCI may be authorized to sellthe stocks in the open market either through auction in prefixed lots or by fixation of sale prices keeping in view the prevailing market conditions.

(v) To increase export of wheat and rice including luster lost wheat, provide WTO compatible subsidies for exports of wheat, wheat products and rice in accordance with the decision taken on 5th February, 2002.

(vi) To fix no quantitative restrictions on the exports of rice, wheat and wheat products, subject to the condition that the stocks in the Central Pool will not be lower than the buffer stock of 243 lakh MTs (100 lakh MTs of rice and 143 lakh MTs of wheat) at any point of time.

(vii) To enter into counter trade and/or extend commodity assistance in the form of foodgrains to other countries on terms to be decided on a case to case basis.

The decisions at S.N.
(ii) to
(vii) above will be valid upto 31.03.2003.

(c)&(d): Do not arise.